

Medical Assistance
Medical Contracts
Children's Health Insurance Program
Iowa Health and Wellness Plan
State Supplementary Assistance

Medical Assistance

Medicaid - Title XIX



Purpose

Medical Assistance (Medicaid—Title XIX) provides medically necessary health care coverage for financially needy adults, children, parents with children, people with disabilities, elderly people, and pregnant women. The goal is for members to live healthy, stable, and self-sufficient lives.

Medicaid Modernization is a major initiative in which the lowa Department of Human Services (DHS) will enroll the majority of the Medicaid members in managed care organizations (MCOs) (Children's Health Insurance Plan (CHIP), Healthy and Well Kids in Iowa (hawk-i) and Iowa Health and Wellness Plan members will also be enrolled in MCOs). DHS will contract with MCOs to provide comprehensive health care services including physical health, behavioral health and long term supports and services. This initiative creates a single system of care to promote the delivery of efficient, coordinated and high quality health care and establishes accountability in health care coordination.

IA Health Link is the name and brand for the new managed care program. The IA Health Link name and logo represents the connection between physical health, behavioral health, and long term care. It previously represented the lowa Health and Wellness Plan and was designed for subsequent Medicaid transitions. Using the IA Health Link branding to represent the managed care program will support the state's efforts to ensure a successful transition.

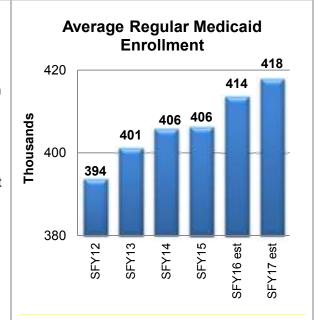
Who Is Helped

Medicaid is projected to serve nearly 725,000 lowans (unduplicated) or 23.3 percent of lowa's population in SFY15 and over 760,000 (unduplicated) or 24.5 percent of lowa's population by SFY17.

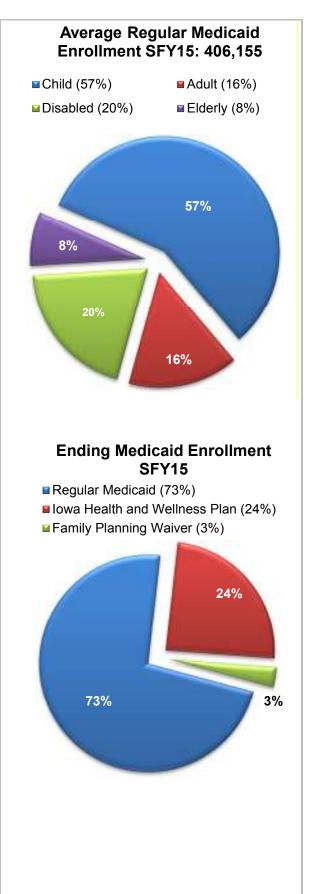
 Medicaid is lowa's second largest health care payer, processing nearly 40 million claims in SFY15 (14.2 percent decrease from SFY14).

Traditional Medicaid eligibility is based on a combination of income and other criteria that must be met.

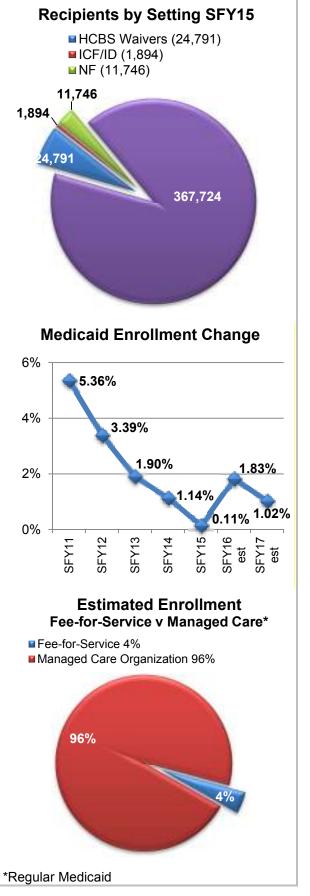
- Members must meet certain income criteria based on multiple eligibility standards and be a U.S. citizen or a legal qualified non-citizen. Citizenship status is verified through the Social Security Administration and legal noncitizens must provide original documentation to verify their status.
- Generally, Medicaid covers low-income members who are aged (over age 65), blind, disabled, pregnant women, children (under 21 years of age), or members of a family with children.



- Medicaid is not available to individuals considered to be inmates of public, nonmedical institutions except for inpatient hospital care provided off the grounds of the jail/prison under certain circumstances. Persons who are on probation or are paroled are not considered inmates. Persons who are on work release are considered to be inmates.
- The most common Medicaid member is, on average, a 9-year old child who is very healthy and uses very few health care services apart from well-child care, immunizations, and treatment for common childhood illnesses, such as ear infections. Medicaid covers thousands of such children for very minimal cost.
- Additional populations served include:
 - Individuals with income over 133
 percent of the Federal Poverty Level
 (FPL) through the Family Planning
 Waiver. This program provides very
 limited covered services.
 - Medicare populations, where Medicaid covers the cost of Medicare premiums, deductibles, and copayments (Qualified Medicare Beneficiaries).
- The lowa Health and Wellness Plan was enacted through bi-partisan legislation to provide comprehensive health coverage to low income adults. The plan offers coverage to adults age 19-64 with an income up to 133 percent of the FPL (\$15,654 per year in 2015). The plan began on January 1, 2014, and currently serves more than 135,000 lowans.
 - O lowa Wellness Plan: The lowa Wellness Plan is an lowa Medicaid program that covers adults ages 19 to 64. Eligible member income is at or below 100 percent of the FPL (\$11,770 for individuals or \$15,930 for a family of two in 2015). For the first half of SFY16, Members can choose a provider from the statewide Medicaid provider network and are able to get care from local providers.



- lowa Marketplace Choice Plan: The lowa Marketplace Choice Plan covers adults ages 19 to 64 with income from 101 percent through 133 percent of the FPL (\$15,654 for individuals or \$21,187 for a family of two in 2015).
- Enrollment growth is slowing. There were 406,155 members enrolled in regular Medicaid in SFY15, a growth of 0.1 percent from SFY14. Growth has decreased from 1.14 percent in SFY14 and 1.9 percent in SFY13. Excluding the lowa Health and Wellness Plan, enrollment growth is projected to increase by 1.83 percent in SFY16 and 1.02 percent in SFY17.
- Of those newly enrolled, the largest growth in recent years has been with children, but this growth has steadily declined. In SFY11 growth was 6.47 percent, in SFY12 growth fell to 3.72 percent, in SFY13 growth fell to 2.43 percent, in SFY14, growth fell to 0.91 percent, and in SFY15, enrollment declined 0.48 percent. Growth for SFY16-17 is projected to be 2.65 percent in SFY16 and 1.32 percent in SFY17.
- Medicaid plays a key role in the state's child welfare system by funding health care for children in state care. Medicaid provides coverage to children in subsidized adoptive homes, thereby making permanent placement more accessible for children who cannot return to their birth families.

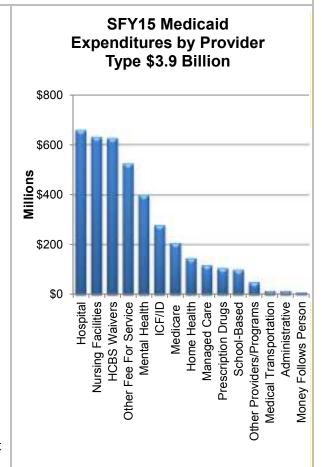


- ✓ Since SFY10, children have accounted for 62 percent of Medicaid growth.
- ✓ Medicaid serves adults with serious and persistent mental illness (such as schizophrenia or bipolar disorder) and children with Serious Emotional Disturbance. Studies show that adults with serious mental illness live 25 years less than adults without this condition.
- ✓ Medicaid serves elderly persons who are low-income and very frail. The typical long term care member for older lowans (65 and older) is a 72 year-old female who needs assistance with at least one activity of daily living, such as personal care.
- ✓ Medicaid serves individuals with both physical and/or intellectual disabilities. The typical member with a disability accessing long term care services is a 28 year-old male with an intellectual disability and needs supports with life skills.
- ✓ As of October 1, 2015, Medicaid members will have access to the Program for All-Inclusive Care for the Elderly (PACE) in three service areas, covering 16 counties across the State.

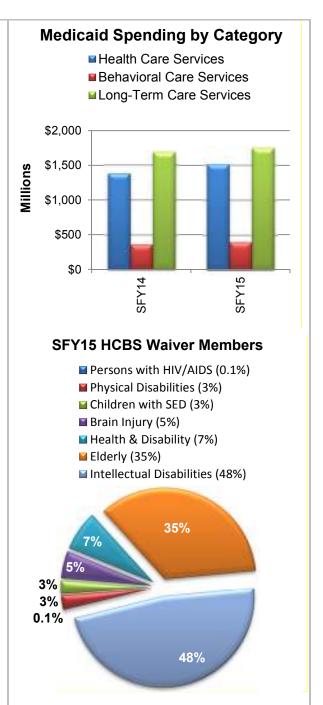
Medicaid covers a comprehensive range of health care services for lowans who meet the program's eligibility criteria

Beginning January 1, 2016, the majority of members will have their services coordinated through a managed care entity, with the exceptions of the HIPP, Medically Needy, PACE enrollees, as well as American Indian, Alaskan natives or that participate in the Medicare Savings Program.

- Physical Health Care Services include physician care, hospital services, labs, prescription drugs, home health care, rural health clinic (RHC) services, Federally Qualified Health Centers (FQHCs) services, chiropractic care, physical therapy, and dental care.
- Behavioral Care Services include community mental health services, hospital services, physician care, psychiatric medical institution care, outpatient treatment and therapy, rehabilitative mental health services (known as Behavioral Health Intervention Services), as well as nontraditional services such as peer support and Assertive Community Treatment, and substance abuse treatment.
- Long-Term Care Services include nursing home care, Intermediate Care Facilities for Persons with Intellectual Disabilities (ICF/ID), and home and community based services that allows individuals to remain in their homes.



- **Home and Community Based** Services (HCBS) are for people with disabilities and older lowans who need services to allow them to stay in their home and community with services. The program names are HCBS Waivers (there are seven), Habilitation Services, Program of All-Inclusive Care for the Elderly (PACE), Home Health, Hospice, Targeted Case management (TCM), and Money Follows the person (MFP). These programs include services such as employment, residential, home health, assistance with personal care, homemaking and respite care that are intended to assist members with remaining in their homes and communities.
- Members will continue to have access to the same menu of services under managed care as they do during the first half of SFY16.
- HCBS Services are delivered through seven 1915(c) waivers that are targeted to specific populations including persons who:
 - Are Elderly
 - Have an Intellectual Disability
 - Have a Disability (two waivers)
 - Physical
 - Other Disabilities
 - Are Children with Serious Emotional Disturbance
 - Are Living with HIV/AIDS
 - Have a Brain Injury



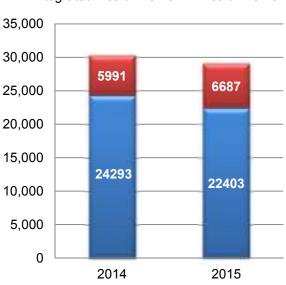
- ✓ The average cost of a member in a nursing facility is \$49,873 per year, versus \$11,322 for a person served through an HCBS waiver.
- ✓ The average cost of a member in an Intermediate Care Facility for the Intellectually Disabled is \$147,338, versus an average cost of \$40,277 for a person served through the HCBS ID waiver.
- ✓ Medicaid generates 10-20 percent of most hospitals' revenues, but is on average, about 50 percent of nursing facilities' revenue. In the area of services for people with disabilities, Medicaid is often the primary or only revenue source.

Under IA Health Link, DHS will enroll the majority of the Medicaid members in managed care organizations (MCOs). This initiative is designed to create a single system of care to address health care needs of the whole person. This includes physical health, behavioral health, and long term care services and supports. Primary goals of the initiative include:

- · Improved quality and access
- Greater accountability for outcomes
- Greater stability and predictability in the Medicaid budget

On December 16, 2014, the U.S. Department of Health and Human Services announced that lowa was one of eleven State Innovation Model (SIM) grantees to test if value-oriented healthcare reforms could produce superior results when implemented in the context of a statesponsored Plan. The grant of \$43 million was wrapped into lowa's managed care approach via specific requirements for Value Based Purchasing (VBP) and a common quality measurement tool, called the Value Index Score (VIS) used across the delivery system and the MCOs. Because the VIS measures quality at a population health level, it ensures savings is linked to wholesystem improvement supporting all members, not just managing isolated pockets of opportunity within the Medicaid population. This initiative is a multi-payor strategy that aligns Medicaid with Wellmark Blue Cross and Blue Shield (specifically) and Medicare (more generally) bringing the scale necessary to influence real delivery system reform across the state.

SFY15 Member Agreement that Getting a Visit with a Provider is Easy Strongly Agree (47%) ■ Somewhat Agree (34%) ■ Neither (6%) ■ Somewhat Disagree (7%) ■ Strongly Disagree (4%) No Response (2%) 6% 47% 34% **Health Home and Integrated Health Home Recipient Enrollment** Integrated Health Home ■ Health Home

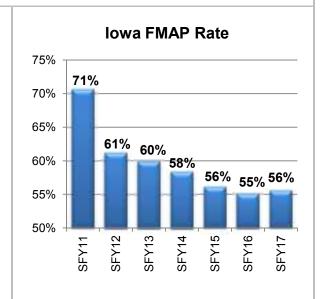


 Integrated Health Home care Coordination contributed to a 19 percent reduction in emergency room visits and a 17 percent reduction in inpatient admissions.

- ✓ Medicaid collected over \$272 million in revenue through cost avoidance and recovery when other insurance is present in SFY15.
- ✓ Medicaid achieved savings and cost avoidance of \$46.8 million (state and federal) through the identification of overpayments, coding errors, and fraud and abuse in SFY15.
- ✓ Medicaid Modernization is projected to generate a cost savings of \$51.3 million during the second six months of SFY16.

The FMAP rate (federal share) has decreased with the expiration of American Recovery and Reinvestment Act of 2009 (ARRA). Iowa's FMAP rate has also declined as Iowa's economy improves relative to other states.

- SFY11: 70.64 percent
- SFY12: 61.19 percent
- SFY13: 59.87 percent
- SFY14: 58.35 percent
- SFY15: 56.14 percent
- SFY16: 55.07 percent
- SFY17: 55.58 percent



Legal Basis

Federal:

- Title XIX of the Social Security Act
- 42 CFR 440. 42 CFR 440.210 and 42 CFR 440.220

State:

 The lowa Code Chapter 249A further defines the services and eligibility categories the lowa Medicaid Program is required to cover. This offer maintains statutorily required services and populations.

Medical Contracts



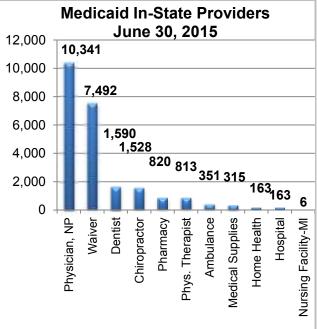
Purpose

The Medicaid Program's administration will shift in SFY16 from one of a largely fee-for-service based population to a Medicaid population managed by multiple managed care organizations (MCOs). IME is also responsible for oversight of the MCO contracts through which services are administered to the Iowa Medicaid and hawk-i populations. The shift resulted in the Iowa Medicaid Enterprise (IME) transitioning from an operational focus to an MCO oversight focus. However, IME still performs all of the required fee-for-service functions on a much smaller scale.

A small percentage of Medicaid fee-for-service for designated populations and initially for new enrollees remains in SFY17 and into the future. These operations and oversight functions are performed through a staff of 47 full time state employees (including 12 Health Insurance Premium Payment (HIPP) staff) and nine performance based contracts with private vendors that have seen their original contracts reduced in scope and, in some cases, re-focused to oversight of MCO data and reports. Some vendors will continue to carry out required fee-for-service functions including the processing of claims, enrolling providers and members and pursuing cost recovery.

Who Is Helped

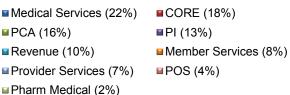
- The IME contracts with vendors to administer the Medicaid program.
 These administrative costs are funded through the Medical Contracts appropriation.
- Medicaid enrolls the same private and public providers as other insurers in lowa and is the second largest health care payor in lowa.

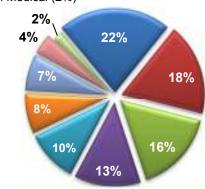


lowa Medicaid utilizes nine performancebased contracts with vendors who provide key business services. These contracts are integrated under state oversight and management in a single location and comply with over 200 performance measures to achieve maximum value for lowa taxpayers. The IME vendors carry out the following primary functions, but at a significantly reduced level from pre-MCO implementation:

- CORE Services include mailroom operations, claims processing and operation of systems, including the Medicaid Management Information System (MMIS).
- Medical Services provides a variety of utilization management and quality management activities
- Member Services provides customer service, assists members as an enrollment broker in selection of an MCO.
- Pharmacy Medical Services maintains the Preferred Drug List (PDL), and responds to inquiries to the pharmacy prior authorization hotline.
- Pharmacy Point of Sale (POS) collects drug rebates from manufacturers, answers questions and resolves fee-forservice claim issues for pharmacies.
- Provider Cost Audit (PCA) provides technical assistance to providers, performs rate setting, cost settlement, cost audit functions and ensures that payments made to Medicaid providers are in accordance with state and federal requirements.
- Program Integrity (PI) efforts include identifying potential fraud, waste and abuse.
- Provider Services supports providers who deliver services to Medicaid members. Functions include provider enrollment and certification, and education and outreach activities.

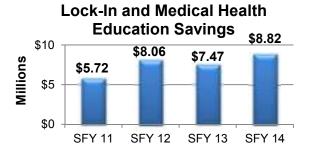
SFY16 Projected Share of State Expenditures by IME Units





Lock-In Monthly Enrollment SFY15

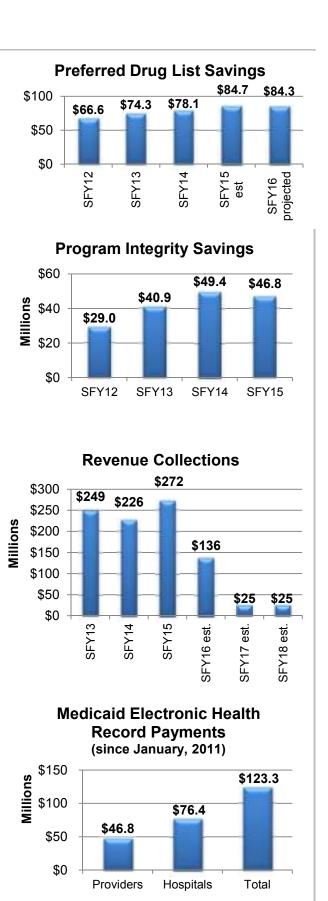




Disease Management Savings



- Revenue Collections functions include; Third Party Liability (TPL) for cost avoidance to ensure that Iowa Medicaid is the payer of last resort for fee-forservice claims, recovery of funds where Medicaid has paid prior to a responsible third party, and estate recovery to obtain repayment of Medicaid expenditures from estates of members who are age 55 and over, or lived in a medical facility.
- Medical Contracts includes a number of additional contracts and vendors who all contribute to the administration of the Medicaid program.
- The IME administers the Electronic Health Record (EHR) Incentive Payment program, which distributes 100 percent federal payments to hospitals, physicians and other eligible Medicaid providers for implementing EHRs and incenting meaningful use of the systems.

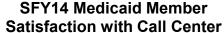


■ Federal Dollars (million)

- ✓ Medicaid processed nearly 40 million claims in SFY15. The average time from the receipt of an electronic claim form to payment was six days in SFY15.
- ✓ Program Integrity saved Medicaid \$46.78 million in SFY15 through the identification of overpayments, coding errors, and fraud, waste, and abuse. The Recovery Audit contract accounted for approximately \$10.7 million of the \$46.78 million recovered.
- ✓ Prior authorizations for HCBS saved over \$3.4 million in SFY15.

Effectively Manage Resources:

- Implementation of the Preferred Drug List (PDL) dramatically reduced the per user per year prescription drug cost from over a pre-rebate cost of \$804.79 to post-rebate cost of \$369.20 per user per year during SFY14. The PDL is projected to save over \$84.3 million in SFY16.
- Increase Medicaid provider performance by sharing data to improve quality.
- Continue and expand Program Integrity efforts in DHS programs.
- Maximize federal financial participation to the greatest extent possible.
- Align medical contracts to support MCO oversight.





✓ Medicaid collected over \$272 million in revenue in SFY15 through cost avoidance and recovery when other insurance is present. Medicaid projects cost avoidance and recovery savings of \$136 million in SFY16, \$25 million in SFY17, and \$25 million in SFY18.

Legal Basis

Federal:

• Title XIX of the Social Security Act. 42 CFR 434.1. Section 1902(a) (4) of the Act requires that the State plan provide for methods of administration that the Secretary finds necessary for the proper and efficient operation of the plan. 434.1(b) sets forth the requirements for contracts with certain organizations for furnishing Medicaid services or processing or paying Medicaid claims or enhancing the agency's capability for effective administration of the program.

Children's Health Insurance Program

Healthy and Well Kids in Iowa (hawk-i) and hawk-i Dental-Only Plan



Purpose

The Children's Health Insurance Program (CHIP) provides health care coverage for children and families whose income is too high to qualify for Medicaid but too low to afford individual or work-provided health care. The purpose of CHIP is to increase the number of children with health and dental care coverage, thereby improving their health and dental outcomes.

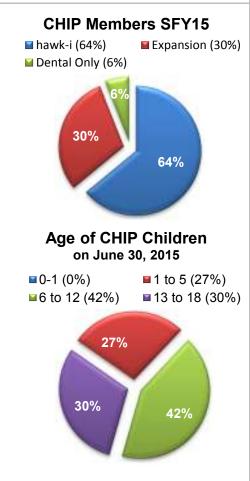
Medicaid Modernization is a major initiative in which the Iowa Department of Human Services (DHS) will enroll the majority of the Children's Health Insurance Plan (CHIP) and Healthy and Well Kids in Iowa (hawk-i) members in managed care organizations (MCOs). DHS will contract with MCOs to provide comprehensive health care services including physical health, behavioral health and long term supports and services. This initiative creates a single system of care to promote the delivery of efficient, coordinated and high quality health care and establishes accountability in health care coordination. IA Health Link is the name and brand for the new managed care program.

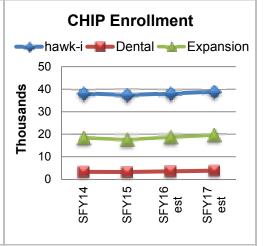
Who Is Helped

Enrollment in Iowa's CHIP program has been instrumental in providing coverage to thousands of uninsured children since 1998, and Iowa has historically been among the states with the lowest uninsured rate among children.

CHIP has three parts: a Medicaid expansion, a separate program called Healthy and Well Kids in lowa (*hawk-i*), and a dental-only plan.

- Medicaid expansion provides coverage to children ages 6-18 whose family income is between 122 and 167 percent of the Federal Poverty Level (FPL), and infants whose family income is between 240 and 375 percent of the FPL.
- The hawk-i program provides coverage to children under age 19 in families whose gross income is less than or equal to 302 percent of the FPL based on Modified Adjusted Gross Income (MAGI) methodology.
- Total CHIP enrollment decreased by 2.8
 percent (1,655 enrollees) in SFY15, and is
 expected to increase by 3.4 percent (2,052
 enrollees) in SFY16; enrollment is projected to
 increase by 3.3 percent (2,052 enrollees) in
 SFY17. Projected increases are based on
 historical enrollment.





- ✓ As of June 30, 2015, 17,578 children were covered in the Medicaid expansion program, 37,440 in **hawk-i**, and 3,209 in the dental-only plan.
- ✓ Enrollment in the CHIP program decreased to 58,227 children in SFY15, but is expected to increase to 60,279 in SFY16; and 62,331 children in SFY17.
- ✓ A comprehensive outreach campaign includes producing publications, free-andreduced lunch mailings, statewide grassroots outreach, and by giving presentations to various groups who can assist with enrolling uninsured children in the **hawk-i** program.

The CHIP program is administered under Title XXI of the Social Security Act and covers a comprehensive range of health and dental services for Iowa's children who meet the program's eligibility criteria.

Beginning January 1, 2016, members with CHIP Program will have their services administered through a managed care entity.

Key components of the CHIP program are:

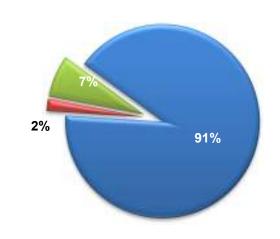
- Children covered by the Medicaid expansion receive covered services through existing Medicaid provider networks. This activity receives enhanced federal funding through Title XXI, rather than Title XIX.
- For the first half of SFY16, *hawk-i* health and dental coverage is provided through contracts with Wellmark Health Plan of Iowa, United Healthcare Plan of the River Valley, and Delta Dental of Iowa.
- hawk-i services include, but are not limited to, doctor visits, inpatient and outpatient
 hospital, well-child visits, immunizations, emergency care, prescription medicines, eye
 glasses and vision exams, dental care and exams, speech and physical therapy,
 ambulance, and mental health and substance abuse care.
- The *hawk-i* program pays premiums to plans.
- Required dental coverage includes diagnostic and preventive services, routine and restorative services, endodontic and periodontal services, cast restorations, prosthetics and medically necessary orthodontia.
- ✓ lowa is one of only a limited number of states with CMS-approved plans which include basic dental coverage and medically necessary orthodontic coverage.
- ✓ The covered services under hawk-i are different from regular Medicaid and are approximately equivalent to the benefit package of the state's largest Health Management Organization (HMO) at the time the program was initiated.

Under IA Health Link, DHS will enroll the majority of the CHIP and *hawk-i* members in managed care organizations (MCOs). This initiative is designed to create a single system of care to address health care needs of the whole person. This includes physical health, behavioral health, and long term care services and supports. Primary goals of the initiative include:

- Improved quality and access
- Greater accountability for outcomes
- Greater stability and predictability in the CHIP and hawk-i budget

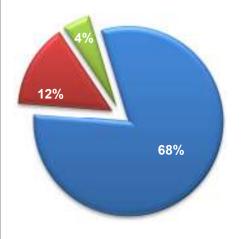
2015 Satisfaction Survey Is the Premium Affordable?

Yes (91%) ■ No (2%) ■ Not Answered (7%)



SFY15 Satisfaction With Care

- ■Very Satisfied (68%)
- Satisfied (12%)
- Neutral (4%)
- ■Unsatisfied (0%)
- ■Extremely Unsatisfied (0%)



Legal Basis

Federal:

Title XXI of the Federal Social Security Act. The Affordable Health Care Act (ACA), signed into law on March 23, 2010, continues CHIP programs through September 30, 2019. The ACA prohibits states from reducing their current eligibility standards until this date. Under CHIPRA, funding for the program is authorized through September 30, 2017.

State:

Chapter 514I of the Code of Iowa; 441 IAC Chapter 86

Iowa Health and Wellness Plan



Purpose

The Iowa Health and Wellness Plan covers all Iowans, ages 19-64, with incomes up to and including 133 percent of the Federal Poverty Level (FPL). The plan provides a comprehensive benefit package, along with important program innovations, that will improve health outcomes and lower

Medicaid Modernization is a major initiative in which the Iowa Department of Human Services (DHS) will enroll the majority of the lowa Health and Wellness Plan members in managed care organizations (MCOs) DHS will contract with MCOs to provide comprehensive health care services including physical health, behavioral health and long term supports and services. This initiative creates a single system of care to promote the delivery of efficient, coordinated and high quality health care and establishes accountability in health care coordination. IA Health Link is the name and brand for the new managed care program.

Who Is Helped

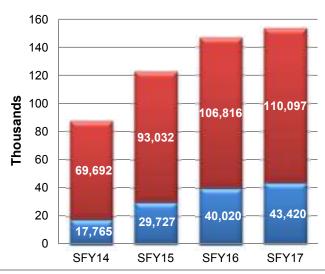
The Iowa Health and Wellness Plan expands access to health care coverage for low-income, uninsured adults.

The plan covers adults, ages 19-64 who are not otherwise eligible for comprehensive Medicaid, Medicare, or cost-effective employer sponsored insurance coverage:

- Persons with incomes 0-100 percent of FPL (\$11,770 for a family of one and \$15,930 for a family of two).
- Persons with incomes between 101 percent and 133 percent of FPL (\$11,770-\$15,654 for a family of one and \$15,930-\$21,187 for a family of two).

Iowa Health and Wellness Plan Estimated Average Enrollees

- Persons with incomes between 0 and 100 % FPL
- Persons with incomes between 101 and 133 % FPL



During SFY15, the Iowa Health and Wellness Plan served an average of 122.759 individuals that were not previously covered by a full benefit Medicaid plan.

Services

The Iowa Health and Wellness Plan provides health care to thousands of adults who would otherwise have no access to any type of healthcare regardless of income.

- The Plan offers innovations and reform in the delivery of health care services through leverging care coordination models.
- The Plan provides a comprehensive benefit package that ensures coverage for all of the Essential Health Benefits (EHB) as required by the Affordable Care Act (ACA).

Covered Benefits

- Ambulatory patient services (e.g. Physician Services)
- **Emergency Services**
- Hospitalization
- Mental health and substance use disorder services, including behavioral health treatment
- Rehabilitative and habilitative services and devices
- Laboratory services
- Preventive and wellness services
- Home and community based services for

- Comprehensive health services, equivalent to the State Employee Health Benefit Package.
- Robust provider network focused on primary care to assist in the coordination of health services and assist members with completing healthy behaviors.
- persons with Chronic Mental Illness, equivalent to the Medicaid benefit
- Prescription drugs equivalent to the Medicaid benefit
- Preventive dental services and treatment equivalent to the Medicaid benefit
- ✓ In SFY15, 11,153 members completed a health risk assessment; 28,919 completed a wellness exam; and 6,321 completed both health behavior activities.
- ✓ Out of pocket costs can never exceed five percent of household income.
- ✓ The program provides incentives for members to engage in health and wellness activities through being able to have their monthly premiums waived.
- ✓ Members who continue to complete healthy behaviors in each 12-month period of enrollment will never be subject to the required monthly financial contribution.

Under IA Health Link, DHS will enroll the majority of the lowa Health and Wellness Plan members in managed care organizations (MCOs). This initiative is designed to create a single system of care to address health care needs of the whole person. This includes physical health, behavioral health, and long term care services and supports. Primary goals of the initiative include:

- Improved quality and access
- Greater accountability for outcomes
- Greater stability and predictability in the Iowa Health and Wellness Plan budget

Goals of the Iowa Health and wellness Plan are also designed to improve Iowan's health status:

- Collect data on social determinants of health and patien confidence, through the use of health risk assessments.
- Implementing a new delivery system and payment model to promote improved care management, care coordination, and health care quality.
- Implementing a unique incentive plan to encourage development of cost-conscious consumer behavior in the consumption of health care services.

Legal Basis

The Iowa Health and Wellness Plan operates under an 1115 demonstration waiver.

Federal:

Section 1115 of the Social Security Act; Section 1902(a) (10) (B); Section 1902(a) (13) and (a) (30); Section 1902(a) (14); 1902(a) (23) (A); Section 1902(a)(4); Section 1902(a)(1); Section 1902(a) (54).

State:

Iowa Senate File 446

State Supplementary Assistance



Purpose

State Supplementary Assistance (SSA) helps low-income elderly or disabled lowans meet basic needs and reduces state spending for Medicaid.

Who Is Helped

SSA eligibility criteria include:

- Requirements about disability or age as defined by Social Security standards.
- Receipt or eligibility to receive Supplemental Security Income (SSI).
- Citizenship and residency.
- Limitations on income and assets.

There are seven SSA groups.

Over 80 percent of SSA recipients are in the Supplement for Medicare and Medicaid Eligible (SMME) group. While providing a \$1 monthly payment to the person, it saves the state money that would otherwise be paid by the state for the recipients' Medicare Part B premiums.

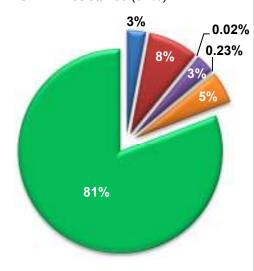
In SFY15 an average of 17,630 cases received an SSA benefit. A case may be a single person or a couple if living together.

Examples of the monthly income requirements:

- Residential facility, monthly income of \$1,032 or less.
- In-Home Health-Related Care, monthly income of \$1,213 or less.
- Blind, monthly income of \$755 or less.

Recipients by Coverage Group SFY15

- Blind Allowance (3%)
- Dependent Person Allowance (8%)
- Family Life Home (.02%)
- In-Home Health-Related Care (3%)
- Mandatory State Supplement (.23%)
- RCF Assistance (5%)
- SMME Assistance (81%)



May not equal 100% due to rounding.

✓ In addition to receiving SSA, most recipients also receive Medicaid.

State Supplementary payments provide cash payments to help meet basic needs.

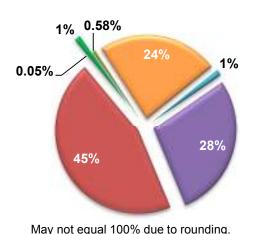
Individuals receiving In-Home Health-Related Care, Residential Care Facility, and Family Life Home services help pay for the cost of their care through an assessed client participation amount. SSA pays the difference between the actual cost of care and the client payment amount.

Monthly benefits:

- Dependent Person Allowance, up to \$377.
- In-Home Health-Related Care (IHHRC), up to \$480.
- Blind Allowance, up to \$22.
- Mandatory Supplement, an average of \$133.
- Supplement for Medicare and Medicaid Eligible (SMME), \$1 per month.
- Residential Care Facility (RCF) Assistance, up to \$1,032.
- Family Life Home Payment, up to \$142.

Expenditures by Coverage Groups in SFY15

- Family Life Home (.05%)
- SMME (1%)
- Mandatory Supplement (.58%)
- ■RCF (24%)
- Blind Allowance (1%)
- IHHRC (28%)
- Dependent Person (45%)



- ✓ Most SSA payment types must meet a minimum payment amount set by the federal government. States can pay more but not less. Iowa is at the federal minimum for all but IHHRC.
- ✓ RCF and Dependent Person payment levels are affected by Social Security cost of living allowance increases. The payments must increase each January to equal the increased federal minimum payments.

Goals & Strategies

Goal: Provide Access to Health Care Services Strategies:

- Access federal dollars for payment of Medicare Part B premiums for more Medicaid members through the SMME coverage group.
- Continue to provide assistance in the least restrictive setting for elderly and disabled recipients.

Results in SFY15:

- The number of SMME participants changed very little during SFY15, maintaining the amount the state pays for the Medicare Part B premiums for those individuals.
- ✓ SSA supplements the SSI program for people with a financial need that is not met.

Legal Basis

Federal:

- SSA benefits are an MOE requirement for the Medicaid program
- Code of Federal Regulations: 20 CFR 416.2095 and 416.2096

State:

- Iowa Code Chapter 249
- Iowa Administrative Code 441 IAC Chapters, 50-54 and 177